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Contents

<i>List of tables</i>	vii
<i>Acknowledgements</i>	viii
<i>About the contributors</i>	ix
1 Neoliberalism, moral economy and fraud	1
DAVID WHYTE AND JÖRG WIEGRATZ	
2 Economic wrong and economic debate in the neoliberal era	17
JAMES G. CARRIER	
3 'After' the crisis: morality plays and the renewal of business as usual	31
STEVE TOMBS	
4 Moral economy, unearned income, and legalized corruption	44
ANDREW SAYER	
5 The moral economy of post-socialist capitalism: professionals, rentiers and fraud	57
BALIHAR SANGHERA	
6 Do they do evil? The moral economy of tax professionals	72
JOHN CHRISTENSEN	
7 Genealogy, parasitism and moral economy: the case of UK supermarket growth	86
PAUL JONES AND MICHAEL MAIR	
8 Transnational tobacco companies and the moral economy of cigarette smuggling	100
CHRIS HOLDEN	

9	Troika, austerity and the reluctant resort to criminality in Greece	114
	STEVE HALL AND GEORGIOS A. ANTONOPOULOS	
10	Entrepreneurialism, corruption and moral order in the criminal justice system of the Democratic Republic of Congo	129
	MARITZA FELICES-LUNA	
11	Murder for gain: commercial insurance and moralities in South Africa	142
	ERIK BÄHRE	
12	Economic freedom mis-sold: neoliberalism and the moral economies of the PPI scandal in the UK	155
	DAVID ELLIS	
13	Seeking God's blessings: Pentecostal religious discourses, pyramidal schemes and money scams in the southeast of Benin Republic	170
	SITNA QUIROZ	
14	Producing moral ambiguity: state illegality, economic growth and norm change in Argentina's sweatshop business	184
	MATIAS DEWEY	
15	Public good for private gain: public sector reform, bureaucrats, and discourses of moral accountability in post-socialist Central Europe	198
	NICOLETTE MAKOVICKY	
16	Fraudulent values: materialistic bosses and the support for bribery and tax evasion	214
	CHRISTOPHER S. SWADER	
17	The moral economy of neoliberal fraud	229
	DAVID WHYTE AND JÖRG WIEGRATZ	
	<i>Index</i>	253

Tables

7.1	Size, scale and reach of the 'Big Four'	89
16.1	Ideal-types combining class position and materialism	218
16.2	Countries and sample sizes	220
16.3	Descriptive statistics of key variables	221
16.4	Fraud support by boss-materialism types	223
16.5	Logistic regression results: likelihood of being in the top 35 percent of justifiability of bribery and cheating on taxes	223
16.6	Predicted fraud support based on logistic regression results	225

11 Murder for gain

Commercial insurance and moralities in South Africa

Erik Bähre

Introduction: moralities of finance¹

South Africa has a well-developed insurance industry with a wide range of South African companies such as Sanlam, Old Mutual, Metropolitan, Hollard, Liberty Life and ABSA. Historically, not least due to apartheid, most of the clients belonged to the wealthier white population and business world. But this started to change after the first democratic elections of 1994. These commercial insurance companies started to sell a wide range of policies, but especially life insurance, to people living in South Africa's townships and rural areas. They started building new offices, sold insurances through voluntary organisations, churches, local retail stores or had sales agents who would go door-to-door (see Bähre 2011, 2012).

The marketing practices of these South African insurance companies led to a host of questions and concerns. In this chapter I clarify how commercial insurance, especially life insurance, became debated in South Africa. I show how segmented these debates were in that different moral concerns were dominant in different parts of society. This segmentation of debates appears to reflect the everyday inequalities, both economic and racial, that still permeate South African society today. While the elite and upper middle classes – predominantly white – were concerned about fraud and the mismanagement of claims, the poor and lower-middle classes – predominantly black – were concerned with the immoral effects that insurance could have on personal relations, especially among kin and neighbours. Commercial life insurance made it possible for poor clients to get a relatively large sum of cash – without anyone knowing about it – after someone they had a policy on died. This fuelled concerns about insurance murder. Although the new, poorer clients too experienced the mismanagement of their claims, these did not enter the public domain.

Insurance is highly technical *and* moral in that it raises questions about legitimate entitlements and responsibilities, the boundaries of solidarity and the collectivisation of risks (see Bähre 2011, Baker 2000, Chan 2012, Golomski 2015, Maurer 2005, Zelizer 1978). This chapter explores these moralities and tries to shed light on how within one country there can be such a variety of moral concerns. The theoretical importance of examining this diversity is that it shows that financialisation and marketisation have moral dynamics but that these moral

dynamics are far from ubiquitous. To some extent, South Africa's financial sector and its clients are witnessing a 'neoliberal morality' as the authors of the introduction to this volume point out. At the same time, the moral dynamics are only partly a result of neoliberal ideology. National political transformations and socio-cultural expectations are equally, if not more, important. This chapter explores how clients, particularly the new clients living in Cape Town's townships, navigate the dynamic forces that make up their financial landscape.

The expansion of commercial insurance needs to be set against the complex problems that society is facing, many of which touch upon finance. South Africa is among the countries with the highest level of economic inequality in the world. The World Bank estimates that South Africa had a Gini index of 63.4 in 2011.² Since the abolishment of apartheid with the first democratic elections of 1994, a lot has changed but the high level of inequality continues to characterise South African society. Corruption also continues to plague South African society. According to Lodge (2002), corruption was a feature of the apartheid era but then it was less about personal gain and more in light of strengthening patronage and Afrikaner nationalism. Corruption continued after the abolishment of apartheid. There was the 1999 South African Arms Deal. In order to get this military procurement package worth close to US\$5 billion, companies had been paying bribes to several high-powered politicians (Liebenberg and Barnard 2005). Another scandal led to the imprisonment of former National Police Commissioner and Interpol President Jackie Selebi in 2010 for accepting money from a crime syndicate (Schwella 2013). The expansion of commercial insurance needs to be seen in the light of these specific complexities.

The data on which this chapter is based were collected between 1995 and 2014 during several research periods ranging from a few weeks to a year in length – about three years of fieldwork in total. I have held interviews with actuaries and others working in the insurance industry in Johannesburg and Cape Town and interviewed people who were otherwise involved in developing insurance policies, selling policies or managing insurance claims. Most of the research was carried out among (potential) clients in the townships of Cape Town. Almost all of the residents are Xhosa who, with the abolition of apartheid in 1994, left the impoverished Bantustans Ciskei and Transkei to try to earn an income in the city (see Ross 1999 for a concise history). In addition to interviews, participant observation and other standard ethnographic research methods, I developed two surveys. One was for the residents of the townships of Cape Town (n=110) and contained questions about the use of financial services, trust in financial institutions and networks, concerns about risks and engagement in social networks. A second online survey was carried out among actuaries (n=79) and contained questions on developments in the sector, political changes and market opportunities (see also Bähre 2011, 2012).

Neoliberalism and democratisation in South Africa

The 'discovery' of new clients with a low income was at the heart of a changing morality on poverty and finance that emerged internationally and might best

be summarised as a neoliberal ideology. Neoliberalism profoundly challenged stereotypes and ideologies about poverty and finance. The old stereotype of the poor can be characterised as a reminiscent of what Oscar Lewis (1959) called the 'culture of poverty'. This basically meant that the poor were seen as incapable of handling money in a productive way and that culture was an obstacle to poverty alleviation. With the rise of the neoliberal ideology, particularly since the 1980s, the stereotype changed. The poor were not anymore seen to be helpless and their culture, whatever that was, was not anymore perceived as an obstacle but as a resource. Neoliberal ideology held that the poor were skilled and creative entrepreneurs. It stipulated that if the poor would be presented with a wide range of choices, including choices for financial services, they would rationally choose what was best for them and use these facilities in such a way that they could escape poverty. This new ideology was among others expressed by the business guru Prahalad who argues that the poor offer an important business case and that business can eradicate poverty. In *Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profits* Prahalad (2004) develops a business case that should open up the so-called BOP (bottom of the pyramid) market.³ This ideology suggested a win-win situation in that financialisation was profitable for the financial sector and made it possible for people to escape poverty.

Financial institutions like banks and insurance companies around the world came to see the poor as relatively trustworthy and rational entrepreneurs. The most widely known and influential case is the Grameen Bank, which Yunus established in Bangladesh in the mid-1970s. The Grameen Bank provided small loans to poor women without requesting conventional collateral such as a job or house. Instead, collateral had to be ensured through group pressure.

The belief was that expanding commercialisation and financialisation to the poor would bring more harmonious societies. The moral impetus of this development became particularly clear when in 2006 Yunus was awarded the Nobel Peace Prize – and not the Nobel Prize in Economic Sciences. The microfinance industry challenged the dominant stereotype that the poor were irresponsible and passive and replaced it with a morality that emphasised that financial products can rely on the poor's social relations, and that the poor are creative and trustworthy entrepreneurs. Over the last twenty to thirty years, microfinance became an industry involving billions of dollars, with hundred millions of clients. Studies that highlighted the positive impact of microfinance with encouraging titles such as *The Miracles of Barefoot Capitalism: A Compelling Case for Microcredit* (Klobuchar and Wilkes 2005) and *Money with a Mission: Microfinance and Poverty Reduction* (Copestake et al. 2005).

Neoliberal policy had a profound moral dimension, one that has been heavily criticised. Elyachar, based on research in Egypt, concluded that one of the key transformations of neoliberalist ideology was that 'practices once dismissed as "backward" and situations once seen as transitional have become the vanguard of entrepreneurial savvy in the global age' (Elyachar 2002: 496). Neoliberal ideology ignores the structural causes of high levels of inequality in society and

defines corporate welfare as public interest (see also Whyte and Wiegratz, introduction to this volume).

Several scholars have argued that neoliberal ideology has deeply permeated South African society, suggesting that today's government policy, society's problems and economic ontologies are caused by or at least amplified by neoliberalism (Bond 2000, Comaroff and Comaroff 2001, Ferguson 2007). There is, however, a tendency to identify neoliberalism too quickly as the cause of immorality in South Africa. In South Africa, the moralities of marketisation and financialisation frequently point to more government control, in addition to the rapid development of a welfare state (Bähre 2011, 2014, 2015). There are clear indications that South Africa is not as neoliberal as some would have it, that immoralities (or rather, moralities underpinning practices regarded as 'bad') do not necessarily result from neoliberalism, and that immoralities have additional sources (see Bähre 2011, 2015). In short, prevailing moral economies in many realms of South African society are the result of very mixed and hybrid moral sources of which neoliberalism is only one of many.

One of the key drivers of marketisation of commercial insurance to the poor was political change. Democratisation in South Africa was crucial for the 'discovery' of tens of millions of new clients. After the abolishment of apartheid and the 1994 elections, the South African government emphasised that in order to establish social justice, resources had to be redistributed along racial lines. The state had to ensure that the previously excluded African population has proper jobs, housing, education, be entitled to social grants and gain access to financial companies that previously neglected them. They should become shareholders of financial companies, and part of the higher ranks of employment; thus, financial companies had to develop services for previously excluded Africans. The African National Congress (ANC) government for instance urged banks to expand their business to the previously disadvantaged communities, which meant that they had to establish offices in the townships and former Bantustans and lower the bureaucratic requirements for taking on new clients.⁴

Against this background, the Actuarial Society of South Africa (ASSA) saw the need to change the profession. The political changes that were taking place in South Africa made actuaries realise more than ever that their business had to change as well. For this purpose, ASSA established 'Actuaries On the Move' in 2000. Actuaries on the Move had to increase the profession's diversity, among others by offering mentoring and training programmes that could support black students who wanted to become actuaries. Hillary Murashiki, chairman of the diversity committee of ASSA publically stated: 'Thanks to a R20 million series of initiatives by the Actuarial Society of SA [South Africa] and its sponsors, there are today four black South African actuaries and many more to come'. About 60 per cent of the actuarial students are black, which reveals that a large shift can be expected in the future.⁵ The implication is that in this instance it is not that finance creates a particular morality, but that the morality that is part of democratisation is changing the South African financial landscape.

The Financial Sector Charter on Black Economic Empowerment played a pivotal role in the transformation of a sector that many associated with apartheid exploitation and white rule. The charter came into effect in 2004, after the 2002 financial sector summit organised by NEDLAC (National Economic Development and Labour Council), a partnership that represents business, labour and the government.⁶ The financial sector committed itself to increase non-whites in senior positions, to support the establishment of black-owned small and medium enterprises, and to make it easier for the poor to access financial services.⁷

Actuaries as well as others working in the predominantly white-staffed insurance industry were worried that if the sector would not transform, government legislation would force them to do so in ways that were threatening to the business. In 2005, for example, there were persistent rumors that the government would establish a national funeral policy and actuaries told me that they feared that the government would waste tax payers' money and take profitable business away from them. In the beginning of 2006, the rumors of a national funeral policy had ceased and the concern was more about the government's plans to establish a National Health Insurance, a scheme that had simmered already since democratisation in 1994 but that became more realistic after 2007 (see Botha and Hendricks 2008). Some were worried that the government would take the most viable part of the market away from them and thus undermine the insurance sector as a whole. They were concerned that a government-run insurance scheme would suffer from mismanagement and some were worried that politicians would use the National Health Insurance to enrich themselves and their family members. Here too, national political dynamics had a profound moralising effect on South Africa's expanding financial sector.

Actuaries that were developing policies for the poor were often fairly young, around forty years of age, male white South Africans, with degrees from South Africa's top universities such as the University of Stellenbosch, University of Cape Town, or University of Witwatersrand. Some of the actuaries that I met felt that they were part of a new era and they wanted to contribute to a new South Africa. As an actuary in his thirties and working for one of South Africa's major insurance companies explained to me: 'it is now our time. We are young and we do not have the burden of history like the older people working here. We have to make something of this country'.

Insurance companies started to establish special branches to develop policies for black clients. Today, it is common to see insurance advertising billboards in the townships, sometimes even in schools, to find insurance adverts in local newspapers that are freely available, and see insurance adverts on television that seem to be aimed at African clients in particular. Supermarkets and other stores sell insurance, and churches have become particularly popular venues for selling policies. My survey in two townships in Cape Town showed that 75 per cent of the residents had an insurance policy and that some had as many as nine policies. Even the poor respondents had policies: 41 per cent of those with incomes under R1000 (about EUC100 at the time of the survey) had at least one insurance product, usually a funeral policy.⁸

In short, in South Africa, there was a successful and one might even say aggressive marketisation of insurance policies to new clients, predominantly the poor and lower-middle classes. This marketisation was due, at least in part, to neoliberal ideologies that reframed the poor as successful entrepreneurs, as well as a result of democratisation where the government increased its grip on the financial sector and enforced racial and economic inclusion.

Multiple moralities

It is possible to distinguish two debates about the immorality of insurance in South Africa. One of these debates focuses on the insurance companies. The debate is about misselling insurance products, immoral investments by insurance companies, poor handling of claims, illegal practices and failing to contribute to a just society.

These concerns have found their way in the South African media. Acclaimed financial journalist Bruce Cameron regularly wrote about insurance policies in *Personal Finance*, a newspaper section and website that was part of Independent Online.⁹ Cameron warned his readers about crooked financial advisers, also those selling insurance products.¹⁰ These public debates were about pension and retirement annuities, a type of long-term insurance. Financial journalists reported how pension funds charged inappropriate and undisclosed fees or used other illegal measures. It has been estimated that inappropriate fees are charged for managing pension funds that costs about R3 billion a year (at the time approximately €300 million) (Fisher-French 2010).

In 2009, a national scandal emerged involved Old Mutual, one of South Africa's larger insurance companies. Old Mutual had invested in Zimbabwean's diamond fields, which was at odds with international sanctions against Mugabe's repressive regime (Saunders 2007). The insurance company's breach of international sanctions led to a Zapiro cartoon that presented Old Mutual as a loyal and violent partner of Mugabe's Zanu PF.¹¹ The company was depicted as sacrificing human rights, freedom of press, as well as the rules of the United Nation's Kimberley Process Certification Scheme that aimed to limit the spread of so called 'blood diamonds'. The cartoon below shows the Zimbabwean military closely cooperating with the insurance company at the expense of human lives.

In 2010, South Africa's newspaper *Mail and Guardian* reported another major scandal that involved SA Quantum, a financial services company that was set up by the financial industry to sell and administer its financial products. According to the newspaper SA Quantum gave R60,000 (approximately €4000) a month to the wife of the general secretary of the Congress of South African Trade Unions (COSATU). It was alleged that in return the general secretary's wife sold financial products – mainly pension annuities – to the nearly 2 million members of COSATU. Once the story was about to become public, SA Quantum's chief executive officer (CEO) offered the journalist a bribe of R120,000 (approximately €8000) if he would not publish the story (Letsoalo 2010, Vavi 2010). The journalist agreed to meet the CEO and accepted part of the bribe at a parking lot but

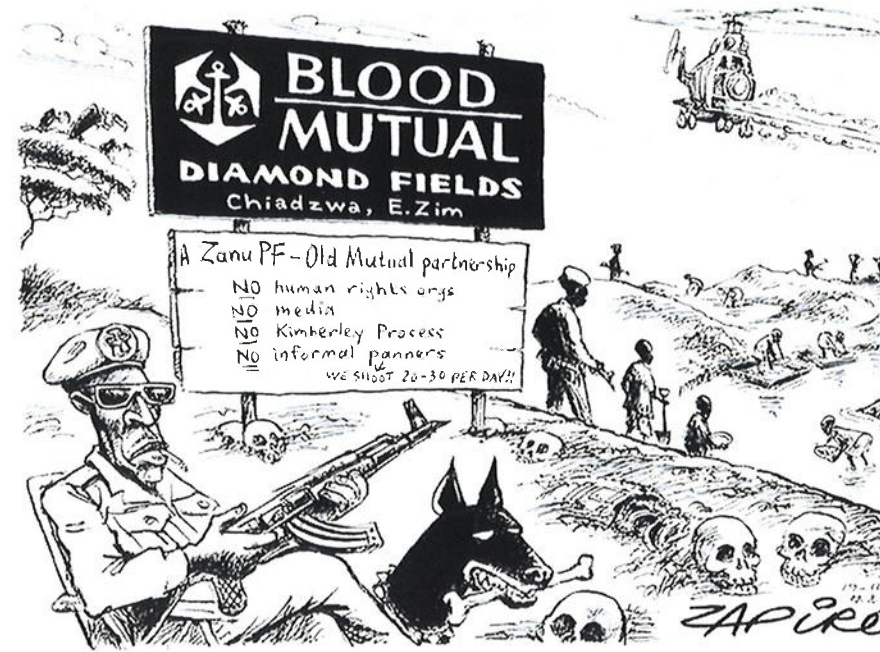


Figure 11.1 Old Mutual's blood diamonds

Source: © 2009–2015 Zapiro (All Rights Reserved). Printed/used with permission from www.zapiro.com.

did so while filming with a hidden camera. When this became public, allegations of corruption by the insurance sector only became stronger.¹²

This public debate about the immorality of commercial insurance received input from financial journalists, ombudsman organisations, the Financial Services Board, the Pension Fund Adjudicator as well as court rulings. These public debates expressed concerns that resonated with predominantly white and relatively wealthy insurance clients who would read the newspapers that reported these practices and could also mobilise ombudsman organisations, financial journalists or legal institutions to express their concerns.

These new clients could often not find their way to these institutions (see also Bähre 2012). The poor were by-and-large unable to bring their experiences to the media attention; they did not have the knowledge and skills to successfully submit a complaint to ombudsman organisations; they did not have the means to hire a lawyer for judiciary support. This meant that their experiences with misselling, the refusal to honour legitimate claims or concerns about illegal financial deductions did not enter the public domain. The problems that they had with the financial products that they bought from the insurance companies, typically relatively small funeral policies, remained largely out of sight of policy makers, financial sector regulators and others involved in the insurance sector.

The second debate was about the impact that insurance, particular funeral insurance, had on the personal relations of the person that took out the policy or could benefit from the policy. This debate mainly took place among the new clients, predominantly black and relatively poor South Africans. Many of the new and prospective clients that I interviewed in Cape Town's townships were concerned that insurance damaged personal relations, i.e. insurance was seen as an opportunity to profit from someone's misfortune. In the survey that I set up 75 per cent of the respondents agreed or fully agreed with the statement that insurance was a threat to mutual help. In the same survey, one out of six respondents said that they personally knew about people being killed in order to cash in on a life insurance policy. Three out of four respondents said that they saw how someone had registered someone because they knew that the person might die soon. Many were worried that there are people who take out an insurance policy on the life of people who look sick. Especially in a country where AIDS is rampant there are concerns that there are people who you might not even know personally, or with whom you only have a very distant relationship, who could make money on your death. In the survey, a vast majority (70 per cent) of the respondents said that they saw how people took advantage by registering someone who was not a family member. Another 15 per cent said that they saw instances where someone pretended that someone was dead in order to get benefits.

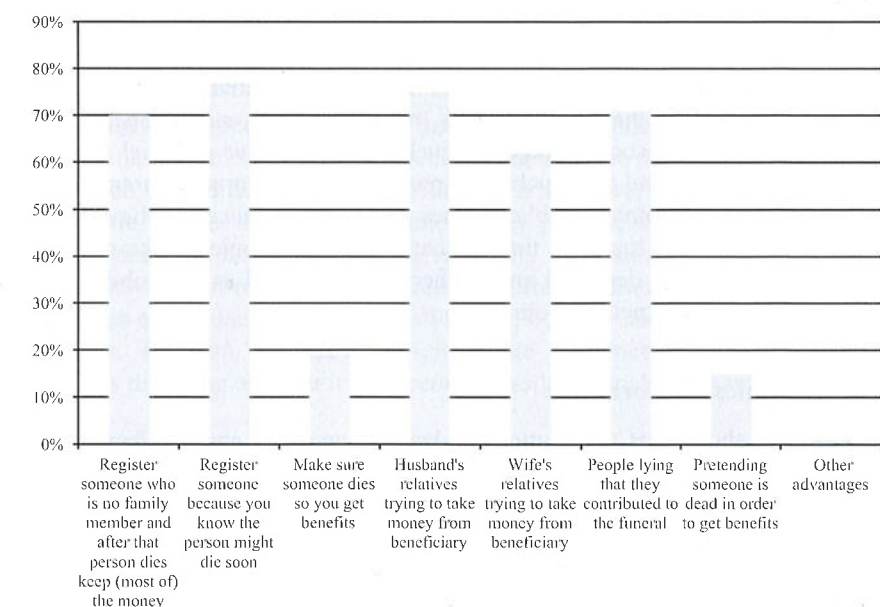


Figure 11.2 Funeral: advantages taken

The fears associated with the marketisation of commercial life insurance need to be set against the high levels of violence in South Africa. South Africa has been in the world's top ten of highest intentional murder rates for all but two years since 2000. The Western Cape Province, which includes Cape Town, is the province with the highest murder rate in the country.¹³ Cape Town has recently been ranked as the twentieth most violent city in the world.¹⁴ The townships where the respondents live and where new insurance products are being marketed are part of the 'Cape Flats'. It is where most of the approximately 4 million Capetonians live. Within Cape Town, most crime is concentrated on the Cape Flats, in Khayelitsha, Gugulethu, Nyanga and Mitchells Plain (Manaliyo 2014: 597). CrimeStats South Africa makes an annual top ten of South Africa's police precincts with the highest number of reported crimes. The top ten of worst precincts is based on statistics from the South African police. Here too, the Cape Flats come out very unfavourable. In 2014, six out of ten precincts with the highest murder rate in South Africa were on the Cape Flats. In the same year, of the precinct that made it to the top ten of South Africa's highest number of attempted murders, seven were from the Cape Flats.¹⁵ Such high levels of violence in everyday life make it much more probable that someone is actually killed in order to cash in on insurance money or that rumours on insurance murder circulate widely.

During one of the interviews a woman told me that she felt it was appropriate to hide insurance policies, even from close family, to avoid rumours. She was worried that her family would become suspicious of her when they knew that she would receive money when they would die, even though the only reason for her to have these funeral policies was to ensure that she could contribute to a decent and respectable funeral.¹⁶ It is almost impossible to know if a neighbour, colleague, family member or anybody else has a funeral policy on one's life and might profit from one's death. This invisibility of the material interests in other people's lives adds to the moral concerns that people have, moral concerns that are regarded by these social groups as much more disruptive to social relations i.e. at interpersonal level and much more pressing than corporate insurance fraud or corruption that dominates public debates. In short, insurance is believed to be moral and immoral at the same time in that it can help people to take responsibility and support the deceased and his/her family as well as be mobilised for personal gain at the expense of others.¹⁷

The dynamics of moralities

This chapter shows that the relationship between morality and neoliberalism is not so linear in South Africa to the extent that one can talk of a 'neoliberal morality' (see introduction for the term). The often-shared view that immorality and fraud are a result of neoliberal forces needs to be nuanced. Neoliberalism ideology promoted the marketisation of financial products to the poor on a global scale and this might have driven, at least to some extent, the expansion of the South African insurance market to predominantly black lower and middle classes. These neoliberal forces, however, should not be overestimated and the definition of

neoliberalism should not become so overarching that it becomes a pseudonym for capitalism.

South Africa is a capitalist society with an expanding financial market, but this expansion cannot be narrowed down to neoliberalism. This is particularly salient when examining the politics of post-1994 South Africa. The political ideology centred on democratisation, inclusive citizenship and overcoming racial equality. Over the past twenty years, the South African government has increased its control over consumer finance and has enforced a wide range of policies and laws on the financial sector. Marketisation in South Africa is driven by these political ideologies, which leads to an at-times contradictory moral landscape. This landscape includes ideological reorientations of the poor that are part of neoliberalism, basically the view that the poor are not passive people but energetic entrepreneurs, as well as the political ambition to have more control over the financial sector that has to contribute to a more-equal society. The expansion of the South African insurance market was intimately connected to these two moralities: one moral framework that can be traced to a global neoliberal ideology where business interest were seen to coalesce with a humanitarian agenda and one that was deeply rooted in the establishment of a democratic South Africa.

This diversity is apparent when examining clients, both old and new, white and black, wealthy and poor. Their moral agendas reflect the economic and racial inequalities that still permeate South African society. The predominantly white elites and upper-middle classes are concerned about fraud by insurance companies. They are worried about how insurance companies charge illegal fees, that they break international treaties regarding investments and that they do not have the interests of clients at heart. They are able to voice their criticisms through national media, ombudsman organisations and legal actions against the insurance companies.

The new and predominantly poor and black clients have their own concerns. They too have problems with their insurance but these are different kinds of problems, often from different kinds of policies. Furthermore, the moral debates not only centre on the insurance companies. They pay attention to the ambiguous consequences that insurance policies, especially life insurance, have on kinship and neighbourhood relations. Many recognise that insurance helps to overcome adversities and makes it possible to offer help, but they see also a darker side to insurance. To them, the marketisation of life insurance reveals that mutual support is declining and that it has become possible to make money on the death of others.

The challenge is to gain insight into the multiplicity of moralities. This multiplicity features in two ways. First, moralities are pegged to multiple economic regimes, in this particular case both to neoliberal understandings of poverty, as well as expectations of the financial sector in an emerging democracy. Instead of studying a single financial or economic origin of morality one needs to unravel, through detailed empirical studies of actual financial practices, how moralities emerge when several economic regimes intersect and interact. Second, different groups in society have different concerns and even more so different priorities.

The high levels of inequality that continue to characterise South African society today have resulted in a skewed public discourse about the morality of financial practices. The concerns of people who are wealthier and better educated are heard much easier than those of the poor and uneducated. The ways in which moralities are defined in public debates, economic policies, as well as judiciary measures, are not always inclusive. These inequalities, particularly so in South Africa, mean that some concerns about the financial sector receive more attention than others.

The inequalities that characterise society – which can be economic, racial, gendered and so on – need to be approached reflexively when defining fraud and corruption. If one fails to do so, definitions of fraud and corruption might end up reflecting the interests and world views of specific, usually more powerful, groups in society. Seemingly universal claims about what constitutes fraud, corruption and injustice might actually reflect very particular interest and world views that gloss over the experiences of people living at the fringes of the global capitalist system.

Notes

- 1 I would like to express my gratitude to Jörg Wiegatz and David Whyte for their very helpful and inspiring feedback on earlier versions of this chapter.
- 2 The data are presented on the site <http://data.worldbank.org/indicator/SI.POV.GINI>.
- 3 Prahalad ranks eighth in the *Financial Times* Top 50 'Most important living management thinkers'; twelfth in the Thinkers Top 50, 2003; and twenty-third in the Top 50 of Management Gurus.
- 4 The Zantsi account is an example of a new type of bank account especially made to cater to the needs of the poor. It appears to be relatively successful.
- 5 Lloyd Coutts, black actuaries are on their way, says Assa, in a business report, 22 January 2006 (www.busrep.co.za/index.php?fArticleId=3076460). See Bähre (2012).
- 6 The charter can be found on the financial sector council's website www.fscharter.co.za.
- 7 www.treasury.gov.za/press/other/2003101701.pdf.
- 8 FinScope 2003 states that almost nobody earning below R1000 a month has a policy. Because the study on which the FinScope data is based is unavailable, even though the study was publicly funded by the UK Department for International Development (DFID), the reason for this vast discrepancy remains unclear. See Bähre (2011).
- 9 He was awarded a Sanlam Award for Excellence in Financial Journalism 2009, which was the twelfth year that he received this award. See www.sanlam.co.za/wps/wcm/connect/sanlam_en/Sanlam/Sponsorships/Media/Financial+Journalism+Awards/Previous+Winners.
- 10 See www.roylaw.co.za/home/article/protectyourfamily/pageid/insurance.
- 11 See www.mg.co.za/zapiro/fullcartoon/2337.
- 12 At the same time, insurance companies are pointing out that their clients can be fraudulent. According to a Standard Bank report issued in 2011, consumers are submitting fraudulent claims that are estimated to cost about R3 billion a year (at the time about €300 million). See *Mail and Guardian*, <http://mg.co.za/article/2011-05-02-insurance-fraud-costs-consumers>.
- 13 Based on statistics provided by the South African Police Service, which can be found online at www.saps.gov.za/resource_centre/publications/statistics/crimestats/2015/crime_stats.php.

- 14 Ranking compiled by Mexico's Citizens' Council for Public Security and Criminal Justice, see www.seguridadjusticiapaz.org.mx/biblioteca/view.download/5/177. Violence in South Africa is not limited to murder but murder is the most relevant crime in relation to funeral insurance.
- 15 www.crimestatssa.com/topten.php. The six precincts with the highest murder rates were Nyanga, Harare, Mitchells Plain, Gugulethu, Khayelitsha and Delft. The seven precincts with the highest number of attempted murders were Mitchells Plain, Elsies River, Nyanga, Bishop Lavis, Manenburg, Khayelitsha and Mfuleni.
- 16 Similar moral concerns about life insurance were also crucial when life insurance became popular in nineteenth-century America (Zelizer 1978), and insurance murder is still a popular theme for many novels and films.
- 17 It is important to note that there already existed informal insurance arrangements in the form of burial societies. These societies mainly offered services and sometimes cash to the bereaved. The rules and procedures were regularly discussed at meetings where the members would discuss the legitimacy of claims and entitlements (see Bähre 2007). The benefits from commercial life insurance are much less visible than those from burial societies, which opens up more space for speculations.

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